

MINUTES OF MEETING OF BOARD OF PUBLIC WORKS, DECEMBER 21, 1949.

The Board of Public Works met in the offices of the Governor in the Mathieson Building, Baltimore, Maryland, on Wednesday, December 21, 1949.

There were present:

Wm. Preston Lane, Jr., Governor  
James J. Lacy, Comptroller  
Hooper S. Miles, Treasurer.

STATE DEPARTMENT OF EDUCATION:

Dr. Thomas G. Pullen, Jr., State Superintendent of Schools, submitted to the Board the findings and recommendations of the State Board of Education with regard to requests for financial assistance made by the several Counties of the State for the period January 1, 1950 to July 1, 1950, in accordance with the provisions of Chapter 502 of the Acts of 1949 and Chapter 1 of the Acts of 1949, Extraordinary Session. The findings and recommendations were ordered attached to the Minutes. A discussion ensued and thereafter, on motion duly made, seconded and unanimously carried, the following Resolution was adopted:

BE IT ORDERED, That the findings and recommendations of the State Board of Education with regard to requests for financial assistance made by the several Counties of the State, for the period January 1, 1950 to July 1, 1950, in accordance with the provisions of Chapter 502 of the Acts of 1949 and Chapter 1 of the Acts of 1949, Extraordinary Session, all as more particularly shown on the schedule attached to these Minutes, are ratified and approved.

The Board then discussed the necessity of taking action to authorize the issuance and sale of part of the bonds to be issued under Chapter 502 of the Acts of 1949 and Chapter 1 of the Acts of 1949, Extraordinary Session, for the purpose of raising money to be used in accordance with the recommendations of the State Board of Education just approved. Dr. Pullen presented a statement showing the funds needed by Baltimore, Montgomery and Prince George's Counties pending settlement for the issuance and sale of the bonds to be issued under Chapter 1 of the Acts of 1949, Extraordinary Session, and actual receipt of the proceeds to be derived therefrom. The schedule was ordered attached to the Minutes. The Board also discussed the desirability of taking action to authorize the issuance and sale of the bonds to be issued under Chapter 6 of the Acts of 1949, Extraordinary Session, at the same time as the issuance and sale of the other school bonds, as aforesaid.

Thereupon, on motion duly made, seconded and unanimously carried the following Resolutions were unanimously adopted:

GENERAL PUBLIC SCHOOL ASSISTANCE LOAN OF 1949:

BE IT ORDERED, That in accordance with Chapter 502 of the Acts of the General Assembly of Maryland of 1949, the Governor, the Comptroller of the Treasury, and the Treasurer of the State, be and they are hereby authorized and directed to advertise twice a week for two successive weeks in the Baltimore Sun and the Baltimore News-Post, the first insertion to bear date of December 28, 1949, the second insertion to bear date of December 30, 1949, the third insertion to bear date of January 3, 1950, and the last insertion to bear date of January 5, 1950, that the Treasurer will receive in the office of the Treasurer at Annapolis, Maryland, at any time up to 2 o'clock P.M., on January 9, 1950, bids for bonds of the State of Maryland in the aggregate sum of \$1,500,000, consisting of Series "A" through Series "M", both inclusive, of the first instalment of the total loan in the amount of \$20,000,000 to be issued under the provisions of the said Act; said bids to be contained in sealed envelopes appropriately endorsed, and each bid to be accompanied by a certified check upon some responsible banking institution, drawn to the order of the Treasurer of Maryland for five per centum of the par value of the amount bid for. All bids will be opened at 2 o'clock P.M. on the 9th day of January, 1950.

Said bonds shall be dated on the 1st day of February, 1950, and shall bear interest at a rate to be determined upon the opening of the bids by the

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Governor, the Comptroller of the Treasury, and the Treasurer, or a majority of them. However, said rate of interest shall not exceed three per centum per annum. The bidders shall be required to indicate in their bids the rate of interest to be paid on the bonds, on which rate their bids are to be based and submitted. The rate named must be a multiple of one-fourth of one per centum, said interest to be payable semi-annually on the 1st day of August and February, during the continuance of said loan, and all bids shall be based on an offering to pay not less than par for the bonds. Said bonds shall be of the denomination of \$1,000 each, shall be deliverable not later than the 23rd day of February, 1950, and all shall be issued with interest coupons attached thereto which shall state the name of the Bond Issue, the amount of interest each coupon represents, the number of each individual coupon and the date and place each coupon is payable. The principal and interest shall be payable at the office of the Treasurer of the State of Maryland, Annapolis, Maryland. The said bonds may be registered as to principal at the option of the owner thereof on the books of the State Treasurer, which registration shall be noted thereon by the State Treasurer; thereafter no transfer of this bond shall be valid unless made on the said books of the State Treasurer by the owner in person, or his duly authorized attorney, but the same may be registered to bearer and thereafter shall be transferable by delivery until again registered in the owner's name as before, but in no event shall the registration thereof prevent the negotiability of the coupons thereof by delivery. The said bonds shall be issued upon the Serial Annuity plan, as provided in said Act, and the said \$1,500,000 instalment, being the first instalment of said loan shall be redeemable as follows:

<u>Series</u>	<u>Amount</u>	<u>Redeemable</u>
"A"	\$96,000.00	February 1, 1953
"B"	99,000.00	February 1, 1954
"C"	102,000.00	February 1, 1955
"D"	105,000.00	February 1, 1956
"E"	108,000.00	February 1, 1957
"F"	111,000.00	February 1, 1958
"G"	115,000.00	February 1, 1959
"H"	118,000.00	February 1, 1960
"I"	122,000.00	February 1, 1961
"J"	125,000.00	February 1, 1962
"K"	129,000.00	February 1, 1963
"L"	133,000.00	February 1, 1964
"M"	137,000.00	February 1, 1965 .

The right shall be reserved to accept one bid for all of said loan, or separate bids for parts of said loan, as may produce the highest amount; and the right shall also be reserved to accept bids which are for parts of said loan, but which may not be for all, and to reject all bids or any bids. If two or more responsible bidders shall make the same bid and each bid shall be the highest, and the Certificates so bid for by such highest responsible bidders shall be in excess of the whole amount of Certificates as offered for sale, then such Certificates of Indebtedness may be awarded in a ratable proportion to such responsible bidders bidding the same price.

The Governor, Comptroller and the Treasurer shall cause to be prepared bonds in good and sufficient form for the amount of said loan.

GENERAL PUBLIC SCHOOL CONSTRUCTION LOAN OF 1949:

BE IT ORDERED, That in accordance with Chapter 1 of the Acts of the General Assembly of Maryland of 1949, Extraordinary Session, the Governor, the Comptroller of the Treasury, and the Treasurer of the State, be and they are hereby authorized and directed to advertise twice a week for two successive weeks in the Baltimore Sun and the Baltimore News-Post, the first insertion to bear date of December 28, 1949, the second insertion to bear date of December 30, 1949, the third insertion to bear date of January 3, 1950, and the last insertion to bear date of January 5, 1950, that the Treasurer will receive in the office of the Treasurer at Annapolis, Maryland, at any time up to 2 o'clock, P.M., on January 9, 1950, bids for bonds of the State of Maryland in the aggregate sum of \$7,890,000, consisting of Series "A" through Series "M", both inclusive, of the first instalment of the total loan in the amount of \$50,000,000 to be issued

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under the provisions of the said Act; said bids to be contained in sealed envelopes appropriately endorsed, and each bid to be accompanied by a certified check upon some responsible banking institution, drawn to the order of the Treasurer of Maryland for five per centum of the par value of the amount bid for. All bids will be opened at 2 o'clock, P.M., on the 9th day of January, 1950.

Said bonds shall be dated on the 1st day of February, 1950, and shall bear interest at a rate to be determined upon the opening of the bids by the Governor, the Comptroller of the Treasury, and the Treasurer, or a majority of them. However, said rate of interest shall not exceed three per centum per annum. The bidders shall be required to indicate in their bids the rate of interest to be paid on the bonds, on which rate their bids are to be based and submitted. The rate named must be a multiple of one-fourth of one per centum, said interest to be payable semi-annually on the 1st date of August and February, during the continuance of said loan, and all bids shall be based on an offering to pay not less than par for the bonds. Said bonds shall be of the denomination of \$1,000 each, shall be deliverable not later than the 23rd day of February, 1950, and all shall be issued with interest coupons attached thereto which shall state the name of the Bond Issue, the amount of interest each coupon represents, the number of each individual coupon and the date and place each coupon is payable. The principal and interest shall be payable at the office of the Treasurer of the State of Maryland, Annapolis, Maryland. The said bonds may be registered as to principal at the option of the owner thereof on the books of the State Treasurer, which registration shall be noted thereon by the State Treasurer; thereafter no transfer of this bond shall be valid unless made on the said books of the State Treasurer by the owner in person, or his duly authorized attorney, but the same may be registered to bearer and thereafter shall be transferable by delivery until again registered in the owner's name as before, but in no event shall the registration thereof prevent the negotiability of the coupons thereof by delivery. The said bonds shall be issued upon the Serial Annuity plan, as provided in said Act, and the said \$7,890,000 instalment, being the first instalment of said loan, shall be redeemable as follows:

<u>Series</u>	<u>Amount</u>	<u>Redeemable</u>
"A"	\$505,000.00	February 1, 1953
"B"	520,000.00	February 1, 1954
"C"	536,000.00	February 1, 1955
"D"	552,000.00	February 1, 1956
"E"	569,000.00	February 1, 1957
"F"	586,000.00	February 1, 1958
"G"	603,000.00	February 1, 1959
"H"	621,000.00	February 1, 1960
"I"	640,000.00	February 1, 1961
"J"	659,000.00	February 1, 1962
"K"	679,000.00	February 1, 1963
"L"	699,000.00	February 1, 1964
"M"	721,000.00	February 1, 1965 .

The right shall be reserved to accept one bid for all of said loan, or separate bids for parts of said loan, as may produce the highest amount; and the right shall also be reserved to accept bids which are for parts of said loan, but which may not be for all, and to reject all bids or any bids. If two or more responsible bidders shall make the same bid and each bid shall be the highest, and the Certificates so bid for by such highest responsible bidders shall be in excess of the whole amount of Certificates as offered for sale, then such Certificates of Indebtedness may be awarded in a ratable proportion to such responsible bidders bidding the same price.

The Governor, Comptroller and the Treasurer shall cause to be prepared bonds in good and sufficient form for the amount of said loan.

BE IT ORDERED, That pending settlement for the group of certificates of the General Public School Construction Loan of 1949 authorized to be issued and sold by the foregoing Resolution and actual receipt of the proceeds to be derived therefrom, and upon execution by each of the respective Counties of a good and sufficient agreement in compliance with Section 5 of Chapter 1 of the Acts of 1949, Extraordinary Session, the Comptroller is authorized and directed to issue warrants upon the State Treasurer, which the State Treasurer is authorized and

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directed to honor and pay from the sum appropriated in Section 6 of said Chapter 1 of the Acts of 1949, Extraordinary Session, for the following amounts to be paid to the following Counties, to wit:

Montgomery County	\$900,000.00
Prince George's County	356,483.00
Baltimore County	<u>1,190,922.00</u>
Total	\$2,447,405.00 .

Immediately upon actual receipt of the proceeds to be derived from the issuance and sale of said group of certificates, the Comptroller is directed to return and credit said amounts to the general surplus fund account of the State Treasury for the fiscal year ending June 30, 1950, in the manner set forth in Section 5 of said Chapter 1 of the Acts of 1949, Extraordinary Session.

MARYLAND SCHOOL FOR THE BLIND LOAN OF 1949:

BE IT ORDERED, That in accordance with Chapter 6 of the Acts of the General Assembly of Maryland of 1949, Extraordinary Session, the Governor, the Comptroller of the Treasury, and the Treasurer of the State, be and they are hereby authorized and directed to advertise twice a week for two successive weeks in the Baltimore Sun and the Baltimore News-Post, the first insertion to bear date of December 28, 1949, the second insertion to bear date of December 30, 1949, the third insertion to bear date of January 3, 1950, and the last insertion to bear date of January 5, 1950, that the Treasurer will receive in the office of the Treasurer at Annapolis, Maryland, at any time up to 2 o'clock, P.M., on January 9, 1950, bids for bonds of the State of Maryland in the aggregate sum of \$350,000, consisting of Series "A" through Series "M", both inclusive, of the total loan in the amount of \$350,000 to be issued under the provisions of the said Act; said bids to be contained in sealed envelopes appropriately endorsed, and each bid to be accompanied by a certified check upon some responsible banking institution, drawn to the order of the Treasurer of Maryland for five per centum of the par value of the amount bid for. All bids will be opened at 2 o'clock, P.M., on the 9th day of January, 1950.

Said bonds shall be dated on the 1st day of February, 1950, and shall bear interest at a rate to be determined upon the opening of the bids by the Governor, the Comptroller of the Treasury, and the Treasurer, or a majority of them. However, said rate of interest shall not exceed four per centum per annum. The bidders shall be required to indicate in their bids the rate of interest to be paid on the bonds, on which rate their bids are to be based and submitted. The rate named must be a multiple of one-fourth of one per centum, said interest to be payable semi-annually on the 1st day of August and February, during the continuance of said loan, and all bids shall be based on an offering to pay not less than par for the bonds. Said bonds shall be of the denomination of \$1,000 each, shall be deliverable not later than the 23rd day of February, 1950, and all shall be issued with interest coupons attached thereto which shall state the name of the Bond Issue, the amount of interest each coupon represents, the number of each individual coupon and the date and place each coupon is payable. The principal and interest shall be payable at the office of the Treasurer of the State of Maryland, Annapolis, Maryland. The said bonds may be registered as to principal at the option of the owner thereof on the books of the State Treasurer, which registration shall be noted thereon by the State Treasurer; thereafter no transfer of this bond shall be valid unless made on the said books of the State Treasurer by the owner in person, or his duly authorized attorney, but the same may be registered to bearer and thereafter shall be transferable by delivery until again registered in the owner's name as before, but in no event shall the registration thereof prevent the negotiability of the coupons thereof by delivery. The bonds shall be issued upon the Serial Annuity Plan, as provided in said Act, and shall be redeemable as follows:

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<u>Series</u>	<u>Amount</u>	<u>Redeemable</u>
"A"	\$22,000	February 1, 1953
"B"	23,000	February 1, 1954
"C"	24,000	February 1, 1955
"D"	25,000	February 1, 1956
"E"	25,000	February 1, 1957
"F"	26,000	February 1, 1958
"G"	27,000	February 1, 1959
"H"	28,000	February 1, 1960
"I"	28,000	February 1, 1961
"J"	29,000	February 1, 1962
"K"	30,000	February 1, 1963
"L"	31,000	February 1, 1964
"M"	32,000	February 1, 1965 .

The right shall be reserved to accept one bid for all of said loan, or separate bids for parts of said loan, as may produce the highest amount; and the right shall also be reserved to accept bids which are for parts of said loan, but which may not be for all, and to reject all bids or any bids. If two or more responsible bidders shall make the same bid and each bid shall be the highest, and the Certificates so bid for by such highest responsible bidders shall be in excess of the whole amount of Certificates as offered for sale, then such Certificates of Indebtedness may be awarded in a ratable proportion to such responsible bidders bidding the same price.

The Governor, Comptroller and the Treasurer shall cause to be prepared bonds in good and sufficient form for the amount of said loan.

The Board approved the selection of the firms of -


Semmes, Bowen and Semmes; and  
Miles, Walsh, O'Brien and Morris,

of Baltimore, to render the legal opinion as to the validity of the -

General Public School Assistance Loan of 1949  
General Public School Construction Loan of 1949  
Maryland School for the Blind Loan of 1949.

ADJOURNMENT:

There being no further business, the meeting was adjourned.

  
Secretary.

